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Minimum wage, overtime “fix-it” bill passes Senate

Previous overtime standards to be restored

LANSING—Michigan workers in danger of losing employment due to overtime exemptions that were not included in the minimum-wage bill passed this spring won't have to worry about that anymore, thanks to legislation the Senate passed today, said state Sen. Valde Garcia, R-Howell.

When the bill increasing the minimum wage was passed, a major consideration was overlooked: industries that were previously exempt from receiving overtime would be required to pay overtime wages as of October 1 of this year. The increased eligibility would result in many struggling Michigan businesses having to lay off a number of employees in order to pay overtime to others who previously did not receive the compensation.

House Bill 6213, coined the “fix-it” bill, simply corrects the new minimum-wage law to keep the previous overtime standards that were left out. The legislation does not take away any employee overtime. Anyone who currently receives overtime pay will continue to receive the appropriate compensation that existed prior to the passage of the minimum-wage increase.

The bill also will protect the ability of many employees to work more than 40 hours per week. Without its passage, some employers would have limited their employees to working 40 hours per week to avoid having to pay overtime. This would have reduced the weekly pay for many truck drivers, some salespeople and others working on commission, and some media employees, among others.

“I’m glad the Legislature took action today to help, not hinder, Michigan’s job providers,” said Garcia. “This sound solution to the overtime exemption matter ensures that in Michigan’s difficult economy, businesses won’t be unduly burdened, and workers will receive compensation for their work that is fair and reasonable.”

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